

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2115 – SB 2260

March 21, 2018

SUMMARY OF ORIGINAL BILL: Enacts the University of Tennessee (UT) Focusing on Campus and University (FOCUS) Act. Vacates the existing membership of the UT Board of Trustees. Reconstitutes the UT Board of Trustees to consist of one ex-officio voting member and 10 voting members appointed by the Governor. Requires each member of the Board of Trustees to be reimbursed for travel related expenses. Sets forth other revisions regarding the Governance of the UT system.

FISCAL IMPACT OF ORIGINAL BILL:

Decrease State Expenditures – Exceeds \$16,000/University of Tennessee

SUMMARY OF AMENDMENTS (014351, 015757): Amendment 014351 deletes and replaces all language after the enacting clause such that the only substantive changes establish confirmation guidelines for appointed members of the UT Board of Trustees and revises term limits, deadlines, and reporting dates of the proposed legislation.

Amendment 015757 deletes and replaces language of the bill as amended by amendment 014351 such that the substantive changes are as follows: (1) prohibits the restructure or reorganization of the UT system in a manner that removes a campus or institute from the system, unless such restructure or reorganization is authorized specifically by statute; (2) establishes confirmation guidelines for appointed members of the UT board of Trustees; and (3) deletes the provision that prohibits certain individuals from serving as a member of an advisory board.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- There are currently 27 members serving on the Board of Trustees.

HB 2115 – SB 2260

- The proposed legislation would reduce the number of members serving on the UT Board of Trustees to 11 members; decreasing the total number of members by 16.
- Travel reimbursement expenses for the members of the UT Board of Trustees are reasonably assumed to be at least \$200 per member per meeting for at least five meetings per year.
- Each member receives at least \$1,000 (5 meetings x \$200) in travel expense reimbursement annually. The recurring decrease in state expenditures to UT is estimated to exceed \$16,000 (\$1,000 x 16).
- The proposed legislation would reduce the number of members serving on the UT Board of Trustees to 11 members; decreasing the total number of members by 16.
- Travel reimbursement expenses for the members of the UT Board of Trustees are reasonably assumed to be at least \$200 per member per meeting for at least five meetings per year.
- Each member receives at least \$1,000 (5 meetings x \$200) in travel expense reimbursement annually. The recurring decrease in state expenditures to UT is estimated to exceed \$16,000 (\$1,000 x 16).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

/rbp